

Pet Insurance Basics

A new four-legged family member can bring excitement into a home and a new wrinkle to your budget. Food, grooming and vet visits are just some of the expenses a pet owner incurs. According to the American Pet Products Association, about \$31.4 billion dollars is spent on vet care and product sales each year. A pet insurance policy can help manage those costs by covering expenses if your pet falls ill or gets injured. Pet insurance policies typically offer various levels of coverage, exclusions, deductibles and payment limits. Here are the different types of pet insurance policies:

Pet health insurance policy. The pet owner is reimbursed for specified veterinary care. The policy typically itemizes covered treatments, deductibles and lifetime or per illness maximums. A pre-existing condition may be excluded from coverage.

Pet injury. It covers the treatment of a pet injured in a car accident up to a set limit. Check with your agent or insurance company to see if your auto insurance policy includes this coverage for a pet traveling in your car.

Pet life insurance policy. The coverage includes end-of-life costs for an animal including burial or cremation expenses.

If you're considering a policy for your pet keep your budget in mind. Estimate the health costs for your animal and try to figure out how much you could afford if emergency treatment was necessary. As with any policy, a higher deductible will make premiums less expensive. It's best to shop around for a policy and compare policy benefits, deductibles and exclusions. The premium generally increases as your pet ages. The premium for large dogs is typically more than small dogs.

Some policies may reimburse you for some medical expenses such as surgeries, x-rays, or hospitalizations. Keep in mind not all policies will cover preventative care or dental care not associated with an accident or injury. Again, a pre-existing condition may not be covered.

Questions to ask your agent or insurance company before purchasing a policy:

- What is the deductible and copay?
- Does the policy require you to use a specific network of veterinarians?
- Does the policy cover annual wellness exams?
- Is there a waiting period before the coverage becomes effective?
- Do you need to purchase coverage before your pet turns a certain age?
- Are certain conditions excluded?

Your homeowners or renters insurance policy may include coverage for expenses related to your pet. If your home is being repaired for a covered loss, additional living expenses may cover boarding for animals. Contact your agent or insurance company for more information.

